

Adopted	Rejected
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COMMITTEE REPORT

YES:	25
NO:	0

MR. SPEAKER:

*Your Committee on Ways and Means, to which was referred Senate Bill 91, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 1, between the enacting clause and line 1, begin a new
- 2 paragraph and insert:
- 3 "SECTION 1. IC 12-10-6-1 IS AMENDED TO READ AS
- 4 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. (a) An individual
- 5 who:
- 6 (1) is at least sixty-five (65) years of age, blind, or disabled; and
- 7 (2) is a resident of a county home;
- 8 is eligible to receive assistance payments from the state if the
- 9 individual would be eligible for assistance under the federal
- 10 Supplemental Security Income program except for the fact that the
- 11 individual is residing in a county home.
- 12 (b) The amount of nonmedical assistance to be paid on behalf of a
- 13 resident in a county home must be based on the daily rate established
- 14 by the division. The rate for facilities under this section and licensed

1 under IC 16-28 may not exceed an upper rate limit established by a rule
2 adopted by the division.

3 (c) The rate for facilities under this section but not licensed under
4 IC 16-28 must be the lesser of:

5 (1) an upper rate limit established by a rule adopted by the
6 division; or

7 (2) a reasonable and adequate rate to meet the costs, determined
8 by generally accepted accounting principles, that are incurred by
9 efficiently and economically operated facilities in order to provide
10 care and services in conformity with quality and safety standards
11 and applicable laws and rules.

12 (d) The recipient shall be paid or allowed to retain from the
13 recipient's income a **monthly** personal allowance. ~~in an amount to be~~
14 ~~established by the division.~~ The amount:

15 ~~(1) may be not less than twenty-eight dollars and fifty cents~~
16 ~~(\$28.50) and not more than thirty-five dollars (\$35) monthly; is~~
17 **fifty dollars (\$50);**

18 (2) is exempt from income eligibility consideration by the
19 division; and

20 (3) may be exclusively used by the recipient for personal needs.

21 (e) In addition to the amount that may be retained as a personal
22 allowance under this section, an individual is allowed to retain an
23 amount equal to the individual's state and local income tax liability.
24 The amount that may be retained during a month may not exceed
25 one-third (1/3) of the individual's state and local income tax liability for
26 the calendar quarter in which the month occurs. This amount is exempt
27 from income eligibility consideration by the division. The amount
28 retained shall be used by the individual to pay state or local income
29 taxes owed.

30 (f) The division of disability, aging, and rehabilitative services, in
31 cooperation with the state department of health taking into account
32 licensure requirements under IC 16-28, shall adopt rules under
33 IC 4-22-2 governing the reimbursement to facilities under this section.
34 The rules must be designed to determine the costs that must be incurred
35 by efficiently and economically operated facilities to provide room,
36 board, laundry, and other services, along with minimal administrative
37 direction to individuals who receive residential care in the facilities
38 under this section. A rule adopted under this subsection by:

(1) the division; or

(2) the state department of health;

must conform to the rules for residential care facilities that are licensed under IC 16-28.

(g) A rate established under this section may be appealed according to the procedures under IC 4-21.5.

(h) The division shall annually review each facility's rate using the following:

(1) Generally accepted accounting principles.

(2) The costs incurred by efficiently and economically operated facilities in order to provide care and services in conformity with quality and safety standards and applicable laws and rules.

SECTION 2. IC 12-10-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) An individual who is incapable of residing in the individual's own home may apply for residential care assistance under this section. The determination of eligibility for residential care assistance is the responsibility of the division. Except as provided in subsections (f) and (h), an individual is eligible for residential care assistance if the division determines that the individual:

(1) is a recipient of Medicaid or the federal Supplemental Security Income program;

(2) is incapable of residing in the individual's own home because of dementia, mental illness, or a physical disability;

(3) requires a degree of care less than that provided by a health care facility licensed under IC 16-28; and

(4) can be adequately cared for in a residential care setting.

(b) Individuals suffering from mental retardation may not be admitted to a home or facility that provides residential care under this section.

(c) A service coordinator employed by the division may:

(1) evaluate a person seeking admission to a home or facility under subsection (a); or

(2) evaluate a person who has been admitted to a home or facility under subsection (a), including a review of the existing evaluations in the person's record at the home or facility.

If the service coordinator determines the person evaluated under this subsection is mentally retarded, the service coordinator may

1 recommend an alternative placement for the person.

2 (d) Except as provided in section 5 of this chapter, residential care
3 consists of only room, board, and laundry, along with minimal
4 administrative direction. State financial assistance may be provided for
5 such care in a boarding or residential home of the applicant's choosing
6 that is licensed under IC 16-28 or a Christian Science facility listed and
7 certified by the Commission for Accreditation of Christian Science
8 Nursing Organizations/Facilities, Inc., that meets certain life safety
9 standards considered necessary by the state fire marshal. Payment for
10 such care shall be made to the provider of the care according to
11 division directives and supervision. The amount of nonmedical
12 assistance to be paid on behalf of a recipient living in a boarding home,
13 residential home, or Christian Science facility shall be based on the
14 daily rate established by the division. The rate for facilities that are
15 referred to in this section and licensed under IC 16-28 may not exceed
16 an upper rate limit established by a rule adopted by the division. The
17 recipient may retain from the recipient's income a **monthly** personal
18 allowance ~~in an amount to be established by the division but not less~~
19 ~~than twenty-eight dollars and fifty cents (\$28.50) or more than~~
20 ~~thirty-five dollars (\$35) monthly.~~ **of fifty dollars (\$50).** This amount
21 is exempt from income eligibility consideration by the division and
22 may be exclusively used by the recipient for the recipient's personal
23 needs. However, if the recipient's income is less than the amount of the
24 personal allowance, the division shall pay to the recipient the
25 difference between the amount of the personal allowance and the
26 recipient's income. A reserve or an accumulated balance from such a
27 source, together with other sources, may not be allowed to exceed the
28 state's resource allowance allowed for adults eligible for state
29 supplemental assistance or Medicaid as established by the rules of the
30 office of Medicaid policy and planning.

31 (e) In addition to the amount that may be retained as a personal
32 allowance under this section, an individual shall be allowed to retain
33 an amount equal to the individual's state and local income tax liability.
34 The amount that may be retained during a month may not exceed
35 one-third (1/3) of the individual's state and local income tax liability for
36 the calendar quarter in which that month occurs. This amount is
37 exempt from income eligibility consideration by the division. The
38 amount retained shall be used by the individual to pay any state or local

1 income taxes owed.

2 (f) The rate of payment to the provider shall be determined in
3 accordance with a prospective prenegotiated payment rate predicated
4 on a reasonable cost related basis, with a growth of profit factor, as
5 determined in accordance with generally accepted accounting
6 principles and methods, and written standards and criteria, as
7 established by the division. The division shall establish an
8 administrative appeal procedure to be followed if rate disagreement
9 occurs if the provider can demonstrate to the division the necessity of
10 costs in excess of the allowed or authorized fee for the specific
11 boarding or residential home. The amount may not exceed the
12 maximum established under subsection (d).

13 (g) The personal allowance for one (1) month for an individual
14 described in subsection (a) whose employment is part of the
15 individual's personal habilitation plan or who is working in a sheltered
16 workshop or day activity center is the amount that an individual would
17 be entitled to retain under subsection (d) plus an amount equal to
18 one-half (1/2) of the remainder of:

- 19 (1) gross earned income for that month; minus
- 20 (2) the sum of:
 - 21 (A) sixteen dollars (\$16); plus
 - 22 (B) the amount withheld from the person's paycheck for that
 - 23 month for payment of state income tax, federal income tax,
 - 24 and the tax prescribed by the federal Insurance Contribution
 - 25 Act (26 U.S.C. 3101 et seq.); plus
 - 26 (C) transportation expenses for that month.

27 (h) An individual who, before September 1, 1983, has been admitted
28 to a home or facility that provides residential care under this section is
29 eligible for residential care in the home or facility.

30 (i) The director of the division may contract with the division of
31 mental health or the division of disability, aging, and rehabilitative
32 services to purchase services for individuals suffering from mental
33 illness or a developmental disability by providing money to supplement
34 the appropriation for community residential care programs established
35 under IC 12-22-2 or community residential programs established under
36 IC 12-11-1-1.

37 (j) A person with a mental illness may not be placed in a Christian
38 Science facility listed and certified by the Commission for

1 Accreditation of Christian Science Nursing Organizations/Facilities,
2 Inc., unless the facility is licensed under IC 16-28."

3 Page 2, after line 13, begin a new paragraph and insert:

4 "SECTION 4. IC 12-15-7-2 IS AMENDED TO READ AS
5 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. ~~Not less than~~
6 ~~twenty-eight dollars and fifty cents (\$28.50) or more than thirty-five~~
7 ~~dollars (\$35)~~ **Fifty dollars (\$50)** monthly may be exempt from income
8 eligibility consideration."

9 Renumber all SECTIONS consecutively.

(Reference is to SB 91 as printed February 10, 1999.)

and when so amended that said bill do pass.

Representative Bauer